

ORGANIZATIONAL RECEPTIVITY TO INNOVATIONS
(The structural profiles friendly, neutral, and hostile towards new ideas)

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The success in fostering and implementing innovations depends not only on rightly chosen strategy and efficient collaboration of workers but also on the receptivity of the organization itself to innovations. This quality implies some readiness to and capability of searching for and mastering novelties. That is why the organizations possessing high receptivity may be considered bent on the new – inherently predisposed to renewal, while those lacking in it inevitably impede innovations.

The organizational propensity for introducing novelties is determined mainly by two groups of factors:

- 1) the potential of the organization, comprising both its actual possibilities and hidden reserves: and
- 2) the structural features conditioning the configuration of the actions the organization undertakes.

To the first group belong:

- 1) the possession of information about novelties and the means and ways of their use;
- 2) the real access to the necessary novelties, that is to say, the opportunity of timely getting ready products, processes, and methods, or make them on own; and
- 3) the availability of reserves (material, financial, staff etc.) which can be directed at the fulfillment of innovation, without detriment to the current business operations.

These factors are fairly conspicuous and well known. They constitute the general background of receptivity to innovations. Indeed, when the organization does not know where to take novelties it may, substantively, reckon on nothing. If the organization knows which of novelties are required and where they can be found but has no real access to them then its practical chances of innovating are too little, as well. Finally, even if it is capable of discovering the approaches to the necessary things but the organizational resources are not enough to introduce the novelty it is scarcely worth hoping for an effective renewal of the current activity.

All these factors act in the same direction. The higher their values the more receptive is the organization. And vice versa, the lower they are the more difficult seems to be the accomplishment of the innovation goals.

Quite different is the nature of the second group consisting of two subsets – the pattern of expertise the organization holds and the character of its communicational network.

The pattern of expertise is conditioned by:

- 1) the size of organization (particularly, the number of workers), that expands the bounds of the general amount of knowledge and skills which can be applied when needed;
- 2) the complexity (the diversity of specialists and the content and orientations of their professional training) setting the breadth of the outlook and horizons of the personnel; and

- 3) the depth characterizing the level to which the workers have advanced in their professional fields and are bound to employ these skills in practice.

In turn, the communicational network properties embrace:

- 1) the centralization of power – the concentration of authorities in the hands of a few executives, and the “pyramidal” shape of informational flows;
- 2) the formalization of activity, that is, the observance of strict prescriptions, rules, and procedures; and
- 3) the hierarchy implying multistage arrangement of management and relationships between workers, and the presence of intermediate incumbents linking the subordinates to the superiors.

The structural factors act in divergent directions and make, at times, opposite contributions to the organizational receptivity to novelties. So, large organizations more readily launch innovations and draw the plan of its implementation. However they cope with implementing the novelty much poorer – because of unhandiness of their structure and frequently occurring communication troubles. Complex organizations (with diverse competencies) easier set the problem and find the appropriate novelty to solve it. However they meet with barriers in the form of divergences of and discrepancies in the views of experts when the latter start to design the innovation and set out its realization. As to the depth of the competencies it favors the launching of innovation but, at the same time, holds back its implementation. The centralization ensuring strict control over the performance is quite effective while mastering the novelty but it unavoidably fails at designing (projecting) the innovation and especially at introducing it. The organization whose activity is of formalized nature and, therefore, maintains discipline does very well not only on the stage of mastering novelties but also – to a higher degree – when planning them. Nevertheless such an organization, like a centralized one, caves in as soon as a need arises to reveal a precise response to the problem and to define the parameters of the novelty to appear as its solution. Finally, when the organization is hierarchically arranged it gets an advantage in the phase of planning the innovation. However both before and after (at launching and realizing the novelty), such a structural feature hampers the organization in making renewal.

These findings and assessments may be consolidated within a single matrix being further development of another table published before (Petrosyan, 2008; 265).

		The stages of the process of innovation		
		<i>Initiating and launching</i>	<i>Designing and planning</i>	<i>Implementing and mastering</i>
Pattern of expertise	<i>Size</i>	Enables	Hinders	Enables
	<i>Complexity</i>	Enables	Enables	Hinders
	<i>Depth</i>	Hinders	Enables	Hinders
Communication network	<i>Centralization</i>	Enables	Hinders	Enables
	<i>Formalization</i>	Hinders	Hinders	Enables
	<i>Hierarchy</i>	Hinders	Enables	Hinders

Table 1. The dependency of the receptivity to novelties on the structural features of organization as applied to the stages of the process of innovation.

In view of that all these factors are not isolated but twisted with each other the picture of the receptivity to novelties becomes even more tangled and complicated. It is difficult, proceeding only from the structural features of the organization, to forecast surely to what level it will cope with innovation tasks. Since none of the factors is an unconditional stimulus or an indisputable hindrance on all the stages of the process of innovation no combination of factors can serve as an ideal model securing unimpeded implementation of the novelty.

Consider the case of the organization to be large, complex, advanced in affairs pertained to its scope, centralized, formalized, and hierarchical. Each stage of the process of innovation is supported simultaneously by three factors. It seems there are firm reasons for reckoning on the innovational effectiveness of such an organization. However the other three factors play, on the contrary, as drawbacks. Therefore the total effect does not impress too much. No wonder many organizations seek to acquire other structural patterns that allow of bypassing the obstacles.

As such a solution, frequently is regarded a particular sub-unit responsible for research and development, which, being diverse by composition, profound by expertise, and hierarchical, is, at the same time, sufficiently compact, decentralized, and informal. The duty of designing and developing the innovation might be imposed upon this sub-unit. It seems to be quite reasonable, as well, to have Committee on planning with a sufficiently broad scope and heterogenous competences but without deep understanding the details and subtleties of the matters under consideration, involved in initiating and launching the innovations. Its work, remaining strictly centralized, would be built on more free (informal) principles and flat ("horizontal") relations tolerating exchange of opinions, discussions, and alternative ideas.

However such an improvement of the organizational receptivity to novelties encounters a series of intractable problems. The most principal of them is the alienation of the units dealing with innovations from the rest of the organization. And the point is not only that they make patterns guiding the behavior of all the organization besides the "law-givers" themselves, what allows the latter to take the results of their work not too responsibly. Much more important is that in the course of long innovative work, the language of such a unit gets isolated, and with the lapse of time its "neighbors" cease to comprehend what it is offering.

Another possible solution is the forming of special groups bearing the responsibility only for a stage of a particular innovative process. So, for more efficient introduction of the novelty conceived a monitoring commission can be created whose mission should consist in tracing the innovation process and correcting the course of activity when necessary. Such a commission might include a rather wide group of "generalists" without deep particular expertise and essential scatter of competencies, having no "vertical structure" but reporting to a single body and doing within strictly defined rules. On accomplishing its work, each of like groups passes the baton to the next, the mission of the former being recognized as exhausted. The group is closed down, and its members rejoin the units that they represent in the organization. Thereby it happens to have avoided the alienation of the "innovators" from rank and file. However clashes are not eliminated completely.

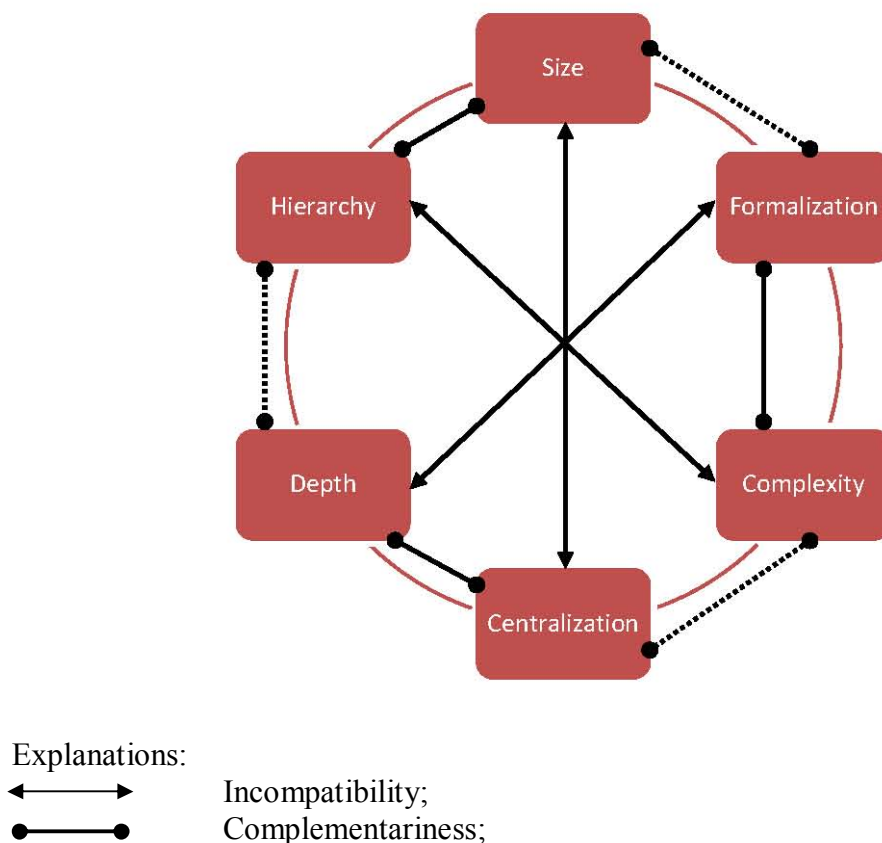
Having finished its activity, each group as if washes the hands and obtains an opportunity of disregarding the further course of events. Meanwhile, just on the quality of its efforts depends what another group will begin from. At the same time, having decided that the initial material is off-grade, the group responsible for the next stage can, even not starting its work, relieve itself of moral responsibility for the future result and come to the conclusion that the point is not worth exerting significant efforts. It comes out, ultimately, that nobody answers for anything, and, as it frequently occurs, too many cooks spoil the broth.

Thus, neither the first nor the second choice may be regarded as a panacea. To make special units for supporting particular stages of the process of innovation, to form temporal

groups attached to specified works, or to rest on the ordinary structure of the organization depends on the style of management, organizational traditions, and the situation in which one has to act. The chief thing is to develop the support for the new - not waving away the alternatives views and approaches, nonpresumable insights and unwonted visions, but encouraging them, nourishing therethrough the prevalent perspective and broadening its horizon (Petrosyan, 2012; 32). Moreover, at critical moments, just such “alien” elements of the corporate knowledge afford the organization an opportunity to build itself, most effectively and least painfully, into the unfamiliar context of the emerging new realities. However this concerns largely with the spirit of organizations, with their culture and values. But what is the part of structural features in encouraging newness? Are they in themselves capable of enabling the generation, cultivation, and introduction of new ideas?

Proceeding from the above, some conclusions may be drawn regarding organizational structures in their relation to innovation process. First of all, those combinations of features leap to the eye, which emasculate the effects each of the parameters individually is able to secure (centralization – size; formalization – depth; hierarchy – complexity). Their joint presence in the organization’s system of management undermines its innovational potential. Thereagainst, the complementary features (centralization – depth, formalization – complexity, hierarchy – size) increase the effects of each other. If the organization strives for encouraging innovations it should introduce and consolidate so combinations. Finally, there are mutually “indifferent” parameters (centralization – complexity; formalization – size; hierarchy – depth). Sure, their combinations do not strengthen the organization’s receptivity to the new, but on the other hand they do not hamper it in innovating. They are quite admissible, though on their own not serving innovation needs.

Fig. 1. The structural features of organization, conjugated with each other.





Tolerance, that is, admissibility of combination, but without mutual support.

Hence a simple rule ensues: it needs to strengthen, in every way, the auspicious combinations of structural features as well as to debar implanting the “incompatible” combinations and to get rid of those which already have struck roots. As regards the “indifferent” ones, they may be tolerated to the extent they serve other important purposes immediately not related to innovation tasks. Keeping to such a line can make it possible to improve the inner capacity of the organization for generation and adoption of innovations, by an order of magnitude.

References

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